



SUCCESSION PLANNING POLICY

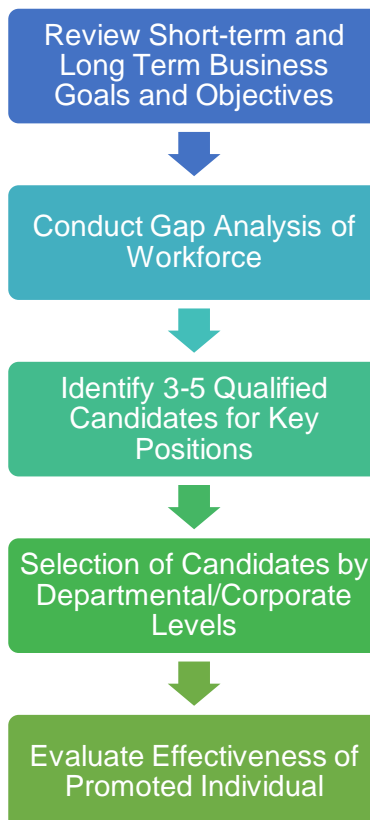
Purpose

Ageing workforce can cause competency gaps and efficiency deterioration; thus, succession and retirement policies are established to ensure business continuity. The employment of qualified workforce and board composition of ATN Holdings Inc. directors are carefully handpicked to make sure that the current and succeeding appointed directors are competent and in line with the corporation's changing strategic goals, diversification plans and risk profile.

What is succession planning?

Preparation for ageing workforce requires proper turnover of responsibilities. Key positions in the corporation need to be filled by qualified directors with the proper skill set to ensure business continuity and stability in the organization. Succession planning should be aligned with anticipated business goals and objectives.

SUCCESSION PLANNING PROCESS





PROCEDURE

STEP 1: REVIEW SHORT-TERM and LONG-TERM CORPORATE BUSINESS GOALS and OBJECTIVES

Assess the booming and declining industries and evaluate the current business goals and objectives with respect to profitability risk. Assess short-term and long-term diversification risks and strategies, which are essential to ensure business continuity. Review the organizational structure to check if it is responsive to current market conditions.

STEP 2: CONDUCT GAP ANALYSIS OF WORKFORCE

Identify the key positions in the industry. Is there a job fit for critical positions? How competitive are the labor markets and the industry the corporation is in? Is it labor intensive or not? When employees hired are best fit for the positions, then employee turnover can be decreased. Retention rates of ageing employees should be contributory to the growth of the corporation. If performance is stagnant already for a certain position, then qualified candidates for key positions should already be nominated (3) months prior to target replacement. Hiring qualified employees will most likely decrease turnover of employees.

STEP 3: IDENTIFY 3-5 QUALIFIED CANDIDATES FOR KEY POSITIONS

Identify 3-5 candidates for the key position to be replaced or vacated. Basis for selection of candidates can range from experience, character, skill sets, tenure, contribution, seniority and superiority.

STEP 4: SELECTION OF CANDIDATES BY DEPARTMENTAL/CORPORATE LEVELS

Ranking and over-all assessments are conducted by departmental/corporate levels. Effective board succession planning requires critical vetting and selection process of directors and management officers qualified for a certain position. Forced ranking is done among candidates and senior representative to ensure an unbiased selection by merit. Peer to peer evaluations may be done if there is a tie in results.

STEP 5: EVALUATE EFFECTIVENESS OF PROMOTED INDIVIDUAL

Assess the accomplishments of the promoted individual with respect to strategic objectives of the company. An accomplishment report should be submitted semi-annually to the Execom department. Regular updates are highly encouraged to senior management.